K - Hosmer-Wheeler 70(3) A

DRILL LOGS : H-M 7 & 9

Kaiser Resources Ltd

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Part 2

DRILL HOLE LOG

HOLE NO. 4M "7

Location HOSMER

Mine Grid	L-D Grid	Underhill Grid
Lat. S 29709.45	L	
Dep. E 7523.73	D	
Elev. 6328.16	Elev.	Elev.

Date Started APRIL 9/70 Date Finished APRIL 29/

Drilled By BECKER Foreman E. WESTON

Logged By T. KEEGAN Surveyed By T. HALKO.

From	To	DESCRIPTION	Gq - Nn Log From	To	Ftge
0	6	OVER BURDEN.			
6	15	BLACK SHALE.			
15	20	SANDSTONE			
20	40	HARD BLACK SANDY SHALE.			
40	76	BLACK SHALE.			
76	89	COAL			
89	110	BLACK SHALE			
110	111	COAL			
111	131	BLACK SHALE			
131	132	COAL			
132	142	BLACK SHALE			
142	145	COAL			
145	168	BLACK SHALE			
168	179	COAL			
179	190	BLACK SHALE.			
190	223	BLACK SANDY SHALE.			
223	270	HARD SANDSTONE			
270	320	HARD SANDY BLACK SHALE.			
320	330	COAL.			
330	334	BLACK SHALE			

DRILL HOLE LOG

HOLE NO. H.M. #7

Location HOSMER

CO-ORDINATES 2 OF 3

Mine Grid	L-D Grid	Underhill Grid
Lat.	L	UN
Dep.	D	UE
Elev.	Elev.	Elev.

Date Started	Date Finished
Drilled By	Foreman
Logged By	Surveyed By

From	To	DESCRIPTION	Gg - Nn Log From	Gg - Nn Log To	Ftg
334	335	COAL			
335	337	BLACK SHALE			
337	342	COAL			
342	344	BLACK SHALE			
344	346	COAL			
346	379	BLACK SHALE			
379	384	COAL			
384	550	HARD SANDY BLACK SHALE			
550	553 ~~553~~	COAL			
553	646	BLACK SANDY SHALE			
646	647	COAL			
647	656	BLACK SHALE			
656	665	COAL			
665	668	BLACK SHALE			
668	696	COAL			
696	702	SHALE			
702	707	COAL			
707	760	BLACK SHALE			
760	767	SANDSTONE			
767	795	BLACK SHALE			

DRILL HOLE LOG

HOLE NO. H.M.C 7

Location HOSMER.

CO-ORDINATES 3 OF 3

Mine Grid	L-D Grid	Underhill Grid
Lat.	L	UN
Dep.	D	UE
Elev.	Elev.	Elev.

Date Started	Date Finished
Drilled By	Foreman
Logged By	Surveyed By

From	To	DESCRIPTION	Gq - Nn Log From	To	Ft
795	880	HARD VERY COARSE SANDSTONE (CONGLOMERATIC)			
880	882	COAL			
882	904	BLACK SHALE			
904	906	COAL			
906	962	HARD SANDY SHALE			
962	963	COAL			
963	1012	SANDSTONE (CLAY PRESENT).			
1012	1050	SANDSTONE			
		T.D. 1050.			

DRILL HOLE LOG

HOLE NO. H.M. 69

Location HOSMER

CO-ORDINATES

Mine Grid	L-D Grid	Underhill Grid
Lat. S. 31200.88	L	UN
Dep. E. 7452.62	D	UE
Elev. 6463.00	Elev.	Elev.

Date Started MAY 25/70	Date Finished
Drilled By BECKER	Foreman E. WESTON.
Logged By T. KEEGAN	Surveyed By T. HALKO

From	To	DESCRIPTION	Gg - Nn Log From	To	Ftg
0	20	BLACK SHALE			
20	42	SAND STONE			
42	47	BLACK SHALE			
47	55	BLACK SANDY SHALE.			
55	108	SAND STONE			
108	115	BLACK SHALE			
115	130	SAND STONE			
130	197	BLACK SHALE. FEW COAL STRINGERS.			
197	202	COAL.			
202	288	BLACK SANDY SHALE. WITH SHALE STRINGERS			
288	302	BLACK SHALE.			
302	304	COAL.			
304	315	BLACK SHALE			
315	345	BLACK SANDY SHALE			
345	380	BLACK SHALE WITH SANDY BANDS. TRACE OF COAL			
380	406	BLACK SANDY SHALE.			
406	418	SANDSTONE.			
418	423	BLACK SHALE			
423	428	SAND STONE			
428	437	BLACK SANDY SHALE			

DRILL HOLE LOG

HOLE NO. Hm. #9

Location HOSMER

CO-ORDINATES

Mine Grid	L-D Grid	Underhill Grid
Lat.	L	UN
Dep.	D	UE
Elev.	Elev.	Elev.

Date Started	Date Finished
Drilled By	Foreman
Logged By	Surveyed By

From	To	DESCRIPTION	Gq - Nn Log From	To	Ftg
483-431	503 573	COAL # 2 SEAM. SANDSTONE.			
573	595	BLACK SANDY SHALE.			
595	612	COAL			
612	618	SANDSTONE			
618	620	BLACK SANDY SHALE & CLAY			
620	690	SANDSTONE.			
690	700	BLACK SANDY SHALE			
700	735	BLACK SHALE . (707-708) COAL)			
735	745	COAL.			
745	750	BLACK SHALE			
750	752	COAL			
752	757	BLACK SHALE			
757	762	COAL			
762	786	BLACK SHALE			
786	814	SHALE WITH COAL STRINGERS.			
814	820	BLACK SHALE			
820	839	CONGLOMERATIC SANDSTONE.			
839	896	SANDSTONE			
896	905	CONGLOMERATE			
		T.D. 905			

K - Hobmer Wheeler 7(12)A

00336

Stratigraphic Columns & Cross Section

Kaiser Resources Ltd.

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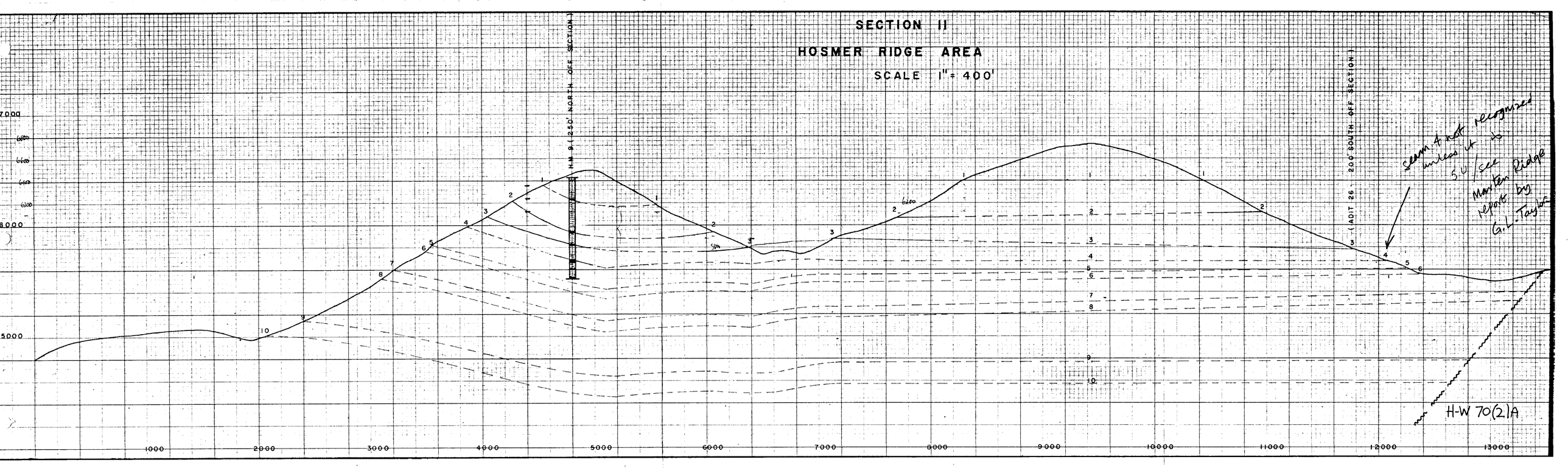
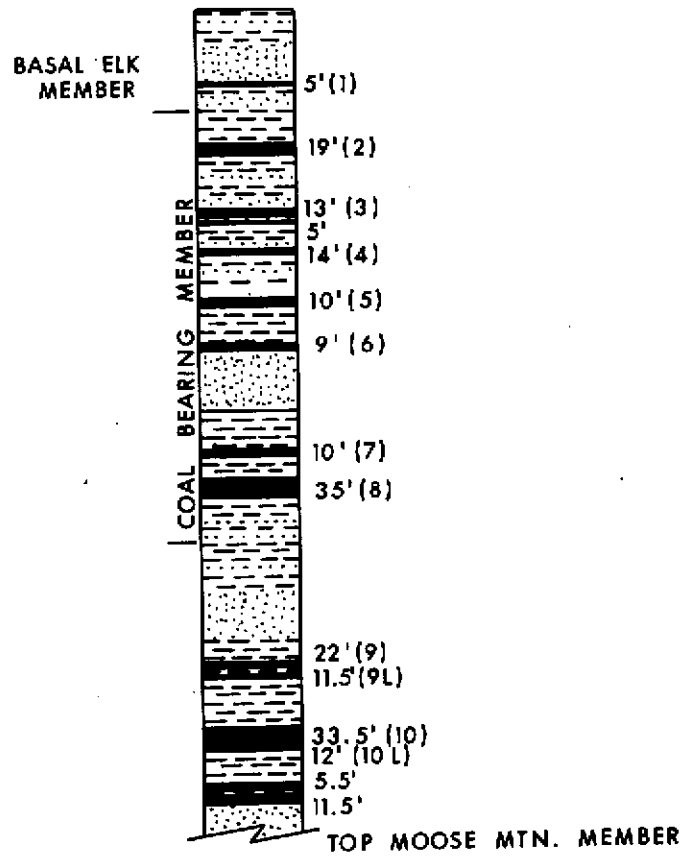
Part 3

SECTION II

HOSMER RIDGE AREA

SCALE 1" = 400'





H-W 70(2)A

LEGEND

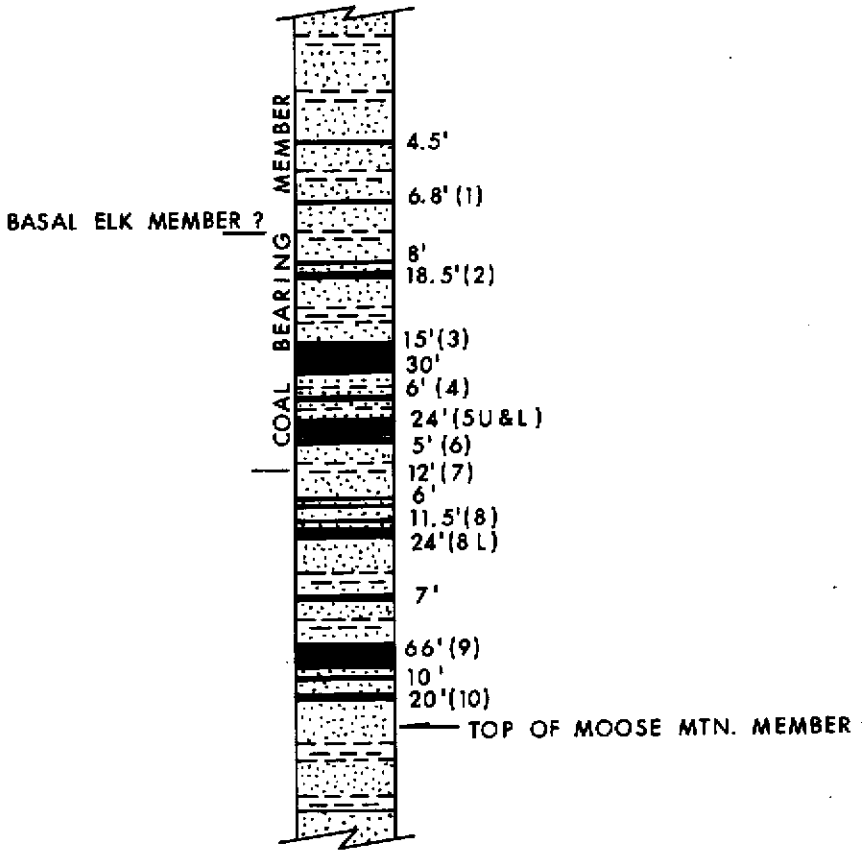
- COAL
- SHALE
- SILTSTONE
- SANDSTONE
- CONGLOMERATE

COAL THICKNESS (SEAM NO.)

KAISER RESOURCES

GENERALIZED STRATIGRAPHIC COLUMN
FOR
HOSMER RIDGE

DWN : R. E. T.	SCALE : 1" - 300'
DATE : MAY 1975	FIG. NO. : 10



H-W 70(2)A

LEGEND

- COAL
- SHALE
- SILTSTONE
- SANDSTONE
- CONGLOMERATE
- COAL THICKNESS (SEAM NO.)

KAISER RESOURCES

GENERALIZED STRATIGRAPHIC COLUMN
FOR
WHEELER RIDGE

DWN : R. E.T.	SCALE : 1" - 300'
DATE : MAY 1975	FIG. NO. : 11

COMPOSITE STRATIGRAPHIC COLUMN
KOOTENAY FORMATION
WHEELER RIDGE
(PRELIMINARY)

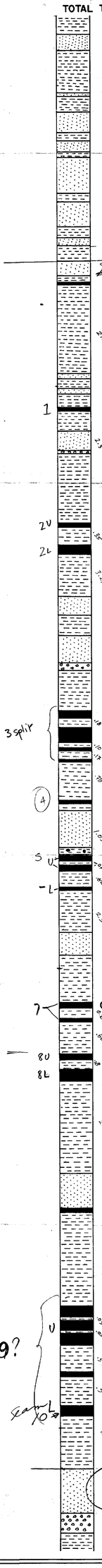
SEPT., 1970

LEGEND

COAL
SHALE
SANDSTONE
CONGLOMERATE

100 0 100 200

TOTAL THICKNESS 3170'



26
25
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H-W 70(2)A

DWG. NO. 144-3-10

K- HOSMER-WHEELER 70(6)A

Reserve Estimate Charts

Kayser Resources Ltd.

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Part 4

AREA: HOSMER WHEELER
TABLE Nº: 40

RESERVE ESTIMATE — (0-1500' COVER)

SEAM NAME	AVG. THICK.	PITCH 0-15° TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	PITCH 15°-30° TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	PITCH 30°-90° TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	CUMULATIVE TOTALS — RECOVERABLE RESERVES: OPEN PIT MINING PROVEN	OPEN PIT MINING PARTIALLY EXPLORED	OPEN PIT MINING PROJECTED	UNDERGROUND CONVENTIONAL PROVEN	UNDERGROUND CONVENTIONAL PARTIALLY EXPLORED	UNDERGROUND CONVENTIONAL PROJECTED	UNDERGROUND HYDRAULIC PROVEN	UNDERGROUND HYDRAULIC PARTIALLY EXPLORED	UNDERGROUND HYDRAULIC PROJECTED	TOTALS (000's TONS CLEAN)	SEAM NAME
1	5.0								11,938	B	C	1,791	85.0	1.70	1,522												1,522					1,522	1
2	20.2								15,295	B	H	23,647	54.0	1.55	12,230													12,230			12,230	2
3	35.0	88,630	A	H	41,633	83.7	1.35	25,232																			25,232			25,232	3
4	13.6	20,025	A	H	8,819	80.9	1.35	6,778	5,273	B	C	790	72.4	1.50	572												6,778			7,350	4
5	15.5								27,096	B	C	4,057	79.5	1.55	3,225															3,225	5
6	7.0								12,214	B	R	1,832	NO ADIT DATA AVAILABLE																			6
7	14.2								23,795	B	C	3,569	46.4	1.46	1,656															1,656		7
8	35.2								58,986	B	R	8,848	81.1	1.48	7,176														7,176		7,176	8
9u	25.8								38,667	B	H	19,333	67.4	1.52	13,031														13,031		13,031	9u
9L	27.2								40,765	B	R	6,115	81.1	1.60	4,959														4,959		4,959	9L
10	26.8								40,697	B	H	20,348	68.7	1.42	13,979														13,979		13,979	10
PROVEN		108,655			50,452			32,010																			32,010					
PART. EXPL'D									304,676			89,330			58,350												6,975		51,375		90,360	
PROJECTED																																
TOTALS		108,655			50,452			32,010	304,676			89,330			58,350																90,360	

NOTE: (1) Average thickness computed from observations. (ie. drill holes, adit and outcrop measurements.)
(2)(i) Tons in place (cu. yds.) determined from: (a) Area of unmined coal.
(b) Average thickness as determined from (1)
(ii) 1 cu. yd. of coal in place = 1·15 net tons raw.
(iii) Slope correction applied to (2)(ii)(a). (Area of unmined coal.) as follows:
(a) For 0°- 15° pitch – correction of 7½° applied to area.
(b) For 15°-30° pitch – correction of 22½° applied to area.
(c) For 30°-90° pitch – correction of 45° applied to area.

(3) Reserve Classification – Definitions for KRL property.
A – Proven Reserves – (In Place) –
Tons of coal (1·15 nt/cu. yd.) in the ground computed from observations (ie. drill holes, adits, outcrops, mine workings) spaced at intervals of 0·5 miles or less in areas of good geological continuity, with seam thickness greater than 5 feet and under less than 2500 feet of overburden.
B – Partially Explored Reserves – (In Place) –
Tons of coal (1·15 nt/cu. yd.) in the ground computed partially from observations generally spaced at intervals from 0·5 to 1·5 miles apart and partially from reasonable geological projections. Minimum seam thickness is 5 feet, and maximum overburden 2500 feet. Generally equivalent to "Probable" or "Indicated" in other systems of nomenclature.
C – Projected Reserves – (In Place) –
Tons of coal (1·15 nt/cu. yd.) in the ground where litte direct evidence is available but where geological studies have

(4) Mining Method –
H – Probably better suited to hydraulic mining method. Used 50% recovery.
C – Probably suited to conventional room and pillar method. Used 15% recovery.
R – Probably suited to selective mining because of splits or proximity to other seams. Used 15% recovery.
O – Open Pit reserve. Assumed 85% recovery.
(5) Reserves Recoverable –
Proven Reserves (Recoverable) –
Proven Reserves (In Place) adjusted by well substantiated factors for mining and washing recovery.
Partially Explored Reserves (Recoverable) –
Partially Explored Reserves (In Place) adjusted by generalized factors for mining and washing recovery.

(6) Calculated yield (laboratory) at defined specific gravity arrived at by (a) bulk sample wash tests from adits and/or test pits, or (b) micro sample wash tests from adits and/or test pits.

AREA:
TABLE Nº:

AREA: HOSMER WHEELER
TABLE Nº: 41

RESERVE ESTIMATE — (1500'-2500' COVER)

SEAM NAME	AVG. THICK.	PITCH 0–15°							PITCH 15°–30°							PITCH 30°–90°							CUMULATIVE TOTALS — RECOVERABLE RESERVES										SEAM NAME
		TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	OPEN PIT MINING			UNDERGROUND CONVENTIONAL			UNDERGROUND HYDRAULIC			TOTALS (000's TONS CLEAN)	
																							PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED		
1	5.0								452	B	C	68	85.0	1.70	58												58					58	1
2	20.2								7,999	B	H	4,000	54.0	1.55	2,160															2,160		2,160	2
3	35.0								28,559	B	H	14,279	88.6	1.80	12,652															12,652		12,652	3
4	13.6								15,900	B	C	2,385	72.4	1.50	1,727												1,727					1,727	4
5	15.5								21,808	B	C	3,271	79.5	1.55	2,601												2,601					2,601	5
6	7.0								9,849	B	R	1,477	NO ADIT DATA AVAILABLE																				6
7	14.2								22,237	B	C	3,336	46.4	1.46	1,548												1,548					1,548	7
8	35.2								55,124	B	R	8,269	81.1	1.48	6,706															6,706		6,706	8
9u	25.8								29,960	B	H	14,980	67.4	1.52	10,097															10,097		10,097	9u
9l	27.2								31,586	B	R	4,738	81.1	1.60	3,842															3,842		3,842	9l
10	26.8								33,136	B	H	16,568	68.7	1.42	11,382															11,382		11,382	10
PROVEN																																	
PART. EXPL'D									256,610			73,371			52,773												5,934			46,839		52,773	
PROJECTED																																	
TOTALS									256,610			73,371			52,773																	52,773	

NOTE: (1) Average thickness computed from observations. (ie. drill holes, adit and outcrop measurements.)

(2)(i) Tons in place (cu. yds.) determined from: (a) Area of unmined coal.
(b) Average thickness as determined from (1)

(ii) 1 cu. yd. of coal in place = 1·15 net tons raw.

(iii) Slope correction applied to (2)(i)(a). (Area of unmined coal.) as follows:
(a) For 0°–15° pitch – correction of 7½° applied to area.
(b) For 15°–30° pitch – correction of 22½° applied to area.
(c) For 30°–90° pitch – correction of 45° applied to area.

(3) Reserve Classification – Definitions for KRL property.

A – Proven Reserves – (In Place) –
Tons of coal (1·15nt/cu.yd.) in the ground computed from observations (ie. drill holes, adits, outcrops, mine workings) spaced at intervals of 0·5 miles or less in areas of good geological continuity, with seam thickness greater than 5 feet and under less than 2500 feet of overburden.

B – Partially Explored Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground computed partially from observations generally spaced at intervals from 0·5 to 1·5 miles apart and partially from reasonable geological projections. Minimum seam thickness is 5 feet, and maximum overburden 2500 feet. Generally equivalent to "Probable" or "Indicated" in other systems of nomenclature.

C – Projected Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground where litte direct evidence is available but where geological studies have indicated the continuity of the coal bearing measures. Coal seam thickness projected from adjacent areas.

(4) Mining Method –
H – Probably better suited to hydraulic mining method. Used 50% recovery.
C – Probably suited to conventional room and pillar method. Used 15% recovery.
R – Probably suited to selective mining because of splits or proximity to other seams. Used 15% recovery.
O – Open Pit reserve. Assumed 85% recovery.

(5) Reserves Recoverable –
Proven Reserves (Recoverable) –
Proven Reserves (In Place) adjusted by well substantiated factors for mining and washing recovery.
Partially Explored Reserves (Recoverable) –
Partially Explored Reserves (In Place) adjusted by generalized factors for mining and washing recovery.

(6) Calculated yield (laboratory) at defined specific gravity arrived at by (a) bulk sample wash tests from adits and/or test pits, or (b) micro sample wash tests from adits and/or test pits.

AREA:
TABLE Nº:

AREA: HOSMER WHEELER
TABLE Nº: 42

RESERVE ESTIMATE — (+2500' COVER)

SEAM NAME	AVG. THICK.	PITCH 0–15°							PITCH 15°–30°							PITCH 30°–90°							CUMULATIVE TOTALS — RECOVERABLE RESERVES										SEAM NAME
		TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	OPEN PIT MINING			UNDERGROUND CONVENTIONAL			UNDERGROUND HYDRAULIC			TOTALS (000's TONS CLEAN)	
																							PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED		
1	5.0																															1
2	20.2																															2
3	35.0																															3
4	13.6																															4
5	15.5																															5
6	7.0																															6
7	14.2								864	B	C	130	46.4	1.46	60																60	7
8	35.2								2,142	B	R	321	81.1	1.48	261											60					261	8
9u	25.8								27,213	B	H	13,607	67.4	1.52	9,171															261	9,171		9,171	9u
9L	27.2								28,690	B	R	4,303	81.1	1.60	3,490															9,171	3,490		3,490	9L
10	26.8								30,158	B	H	15,079	68.7	1.42	10,359															3,490	10,359		10,359	10
																														10,359				
PROVEN																																		
PART. EXPL'D									89,067			33,440			23,341											60				23,281		23,341	
PROJECTED																																		
TOTALS																																		

NOTE: (1) Average thickness computed from observations. (ie. drill holes, adit and outcrop measurements.)
(2)(i) Tons in place (cu. yds.) determined from : (a) Area of unmined coal.
(b) Average thickness as determined from (1)
(ii) 1 cu. yd. of coal in place = 1·15 net tons raw.
(iii) Slope correction applied to (2)(i)(a). (Area of unmined coal) as follows:
(a) For 0°–15° pitch – correction of 7½° applied to area.
(b) For 15°–30° pitch – correction of 22½° applied to area.
(c) For 30°–90° pitch – correction of 45° applied to area.

(3) Reserve Classification – Definitions for KRL property.
A – Proven Reserves – (In Place) –
Tons of coal (1·15nt/cu.yd.) in the ground computed from observations (ie. drill holes, adits, outcrops, mine workings) spaced at intervals of 0·5 miles or less in areas of good geological continuity, with seam thickness greater than 5 feet and under less than 2500 feet of overburden.
B – Partially Explored Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground computed partially from observations generally spaced at intervals from 0·5 to 1·5 miles apart and partially from reasonable geological projections. Minimum seam thickness is 5 feet, and maximum overburden 2500 feet. Generally equivalent to "Probable" or "Indicated" in other systems of nomenclature.
C – Projected Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground where litte direct evidence is available but where geological studies have indicated the continuity of the coal bearing measures. Coal seam thickness projected from adjacent areas.

(4) Mining Method –
H – Probably better suited to hydraulic mining method. Used 50% recovery.
C – Probably suited to conventional room and pillar method. Used 15% recovery.
R – Probably suited to selective mining because of splits or proximity to other seams. Used 15% recovery.
O – Open Pit reserve. Assumed 85% recovery.
(5) Reserves Recoverable –
Proven Reserves (Recoverable) –
Proven Reserves (In Place) adjusted by well substantiated factors for mining and washing recovery.
Partially Explored Reserves (Recoverable) –
Partially Explored Reserves (In Place) adjusted by generalized factors for mining and washing recovery.

(6) Calculated yield (laboratory) at defined specific gravity arrived at by (a) bulk sample wash tests from adits and/or test pits, or (b) micro sample wash tests from adits and/or test pits.

AREA:
TABLE Nº:

K-HOSMER WHEELER 70(6)A
(PARCEL 69)

RESERVE ESTIMATE CHARTS

KAISER RESOURCES LTD

00335

Part 5 336

336

AREA: PARCEL 69
TABLE Nº: 20

RESERVE ESTIMATE — (0–1500' COVER)

SEAM NAME	AVG. THICK.	PITCH 0–15° TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	PITCH 15°–30° TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	PITCH 30°–90° TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)
B	15.1															22,228	B	C	3334	77	1.55	2,567
9	12.4															18,447	B	C	2,767	85		2,352
7	8.2															11,915	B	C	1,787	73	1.55	1,305
6	21.3															31,455	B	H,C	12,493	60		7,496
5	18.1															25,667	B	C	3850	52	1.55	2,002
4	11.4															742	B	C	111	58	1.55	65
3	10.8															7391	B	C	1,109	75	1.55	831
2	36.3															52,623	B	H	26,312	51	1.55	13,419
1	18.4															27,167	B	H,C	10,572	71	1.55	7,506
PROVEN																						
PART. EXPL'D																197,635			62,335			37,543
PROJECTED																						
TOTALS																197,635			62,335			37,543

OPEN PIT FILE

CUMULATIVE TOTALS — RECOVERABLE RESERVES											
OPEN PIT MINING			UNDERGROUND CONVENTIONAL			UNDERGROUND HYDRAULIC			TOTALS (000's TONS CLEAN)	SEAM NAME
PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED		
				2,567					2,567	B
				2,352					2,352	9
				1,305					1,305	7
				832			6664		7,496	6
				2002					2002	5
				65					65	4
				831					831	3
							13,419		13,419	2
				916			6,590		7,506	1
				10,870			26,673		37,543	

NOTE: (1) Average thickness computed from observations. (ie. drill holes, adit and outcrop measurements.)
(2)(i) Tons in place (cu. yds) determined from: (a) Area of unmined coal.
(b) Average thickness as determined from (1)
(ii) 1 cu. yd. of coal in place = 1·15 net tons raw.
(iii) Slope correction applied to (2)(i)(a). (Area of unmined coal.) as follows:
(a) For 0°–15° pitch – correction of 7½° applied to area.
(b) For 15°–30° pitch – correction of 22½° applied to area.
(c) For 30°–90° pitch – correction of 45° applied to area.

(3) Reserve Classification – Definitions for KRL property.
A – Proven Reserves – (In Place) –
Tons of coal (1·15 nt/cu. yd.) in the ground computed from observations (ie. drill holes, adits, outcrops, mine workings) spaced at intervals of 0·5 miles or less in areas of good geological continuity, with seam thickness greater than 5 feet and under less than 2500 feet of overburden.
B – Partially Explored Reserves – (In Place) –
Tons of coal (1·15 nt/cu yd.) in the ground computed partially from observations generally spaced at intervals from 0·5 to 1·5 miles apart and partially from reasonable geological projections. Minimum seam thickness is 5 feet, and maximum overburden 2500 feet. Generally equivalent to "Probable" or "Indicated" in other systems of nomenclature.
C – Projected Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground where litte direct evidence is available but where geological studies have indicated the continuity of the coal bearing measures. Coal seam thickness projected from adjacent areas.

(4) Mining Method –
H – Probably better suited to hydraulic mining method. Used 50% recovery.
C – Probably suited to conventional room and pillar method. Used 15% recovery.
R – Probably suited to selective mining because of splits or proximity to other seams. Used 15% recovery.
O – Open Pit reserve. Assumed 85% recovery.

(5) Reserves Recoverable –
Proven Reserves (Recoverable) –
Proven Reserves (In Place) adjusted by well substantiated factors for mining and washing recovery.
Partially Explored Reserves (Recoverable) –
Partially Explored Reserves (In Place) adjusted by generalized factors for mining and washing recovery.

(6) Calculated yield (laboratory) at defined specific gravity arrived at by (a) bulk sample wash tests from adits and/or test pits, or (b) micro sample wash tests from adits and/or test pits.

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RESERVE ESTIMATE — (1500'–2500' COVER)

SEAM NAME	AVG. THICK.	PITCH 0–15°							PITCH 15°–30°							PITCH 30°–90°							CUMULATIVE TOTALS — RECOVERABLE RESERVES										SEAM NAME
		TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	OPEN PIT MINING			UNDERGROUND CONVENTIONAL			UNDERGROUND HYDRAULIC			TOTALS (000's TONS CLEAN)	
																							PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED		
B	15.1															22,627	B	C	3,394	77	1.55	2,613					2,613					2,613	
9	12.4															17,900	B	C	2,685	85		2,282					2,282					2,282	
7	8.2															9,110	B	C	1,367	73	1.55	998					998					998	
6	21.3															23,102	B	H,C	8,998	60		5,399					657			4,742		5,399	
5	18.1															18,129	B	C	2,719	52	1.55	1,414					1,414					1,414	
4	11.4															494	B	C	74	58	1.55	43					43					43	
3	10.8															4,675	B	C	701	75	1.55	526					526					526	
2	36.3															34,023	B	H	17,012	51	1.55	8,676								8,676		8,676	
1	18.4															18,215	B	H,C	7,165	71	1.55	5,087					591			4,496		5,087	
PROVEN																																	
PART. EXPL'D																148,275			44,115			27,038					9,124			17,914		27,038	
PROJECTED																																	
TOTALS																148,275			44,115			27,038										27,038	

NOTE: (1) Average thickness computed from observations. (ie. drill holes, adit and outcrop measurements.)
(2)(i) Tons in place (cu. yds.) determined from: (a) Area of unmined coal.
(b) Average thickness as determined from (1)
(ii) 1 cu. yd. of coal in place = 1·15 net tons raw.
(iii) Slope correction applied to (2)(i)(a). (Area of unmined coal.) as follows:
(a) For 0°–15° pitch – correction of 7½° applied to area.
(b) For 15°–30° pitch – correction of 22½° applied to area.
(c) For 30°–90° pitch – correction of 45° applied to area.

(3) Reserve Classification – Definitions for KRL property.
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B – Partially Explored Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground computed partially from observations generally spaced at intervals from 0·5 to 1·5 miles apart and partially from reasonable geological projections. Minimum seam thickness is 5 feet, and maximum overburden 2500 feet. Generally equivalent to "Probable" or "Indicated" in other systems of nomenclature.
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(4) Mining Method –
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(5) Reserves Recoverable –
Proven Reserves (Recoverable) –
Proven Reserves (In Place) adjusted by well substantiated factors for mining and washing recovery.
Partially Explored Reserves (Recoverable) –
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(6) Calculated yield (laboratory) at defined specific gravity arrived at by (a) bulk sample wash tests from adits and/or test pits, or (b) micro sample wash tests from adits and/or test pits.

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TABLE Nº:

AREA: PARCEL 69
TABLE Nº: 92

RESERVE ESTIMATE — (+2500' COVER)

SEAM NAME	AVG. THICK.	PITCH 0–15°							PITCH 15°–30°							PITCH 30°–90°							CUMULATIVE TOTALS — RECOVERABLE RESERVES										SEAM NAME
																							OPEN PIT MINING			UNDERGROUND CONVENTIONAL			UNDERGROUND HYDRAULIC				
		TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	TONS IN PLACE (000's)	RESERVE CLASS.	MINING METHOD	TONS RECOVERED (000's)	CALC. YIELD	AT SP. GR.	TONS WASHED (000's)	PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED	PROVEN	PARTIALLY EXPLORED	PROJECTED	TOTALS (000's TONS CLEAN)	
B	15.1															33,328	B	C	4,999	77	1.55	3,819					3819					3,819	
9	12.4															32,598	B	C	4,890	85		4,156					4,156					4,156	
7	8.2															31,317	B	C	4,698	73	1.55	3,429					3,429					3,429	
6	21.3															83,507	B	H,C	30,293	60		18,176					2,947			15,229		18,176	
5	18.1															81,473	B	C	12,221	52	1.55	6,355					6,355					6,355	
4	11.4															3,076	B	C	461	58	1.55	268					268					268	
3	10.8															22,583	B	C	3,388	75	1.55	2,541					2,541					2,541	
2	36.3															194,914	B	H	97,457	51	1.55	49,703								49,703		49,703	
1	18.4															100,818	B	H,C	37,305	71	1.55	26,486					3,987			22,499		26,486	
PROVEN																																	
PART. EXPL'D																583,614			195,712			114,933					27,502			87,431		114,933	
PROJECTED																																	
TOTALS																583,614			195,712			114,933											

NOTE: (1) Average thickness computed from observations. (ie. drill holes, adit and outcrop measurements.)
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C – Projected Reserves – (In Place) –
Tons of coal (1·15 nt/cu.yd.) in the ground where little direct evidence is available but where geological studies have indicated the continuity of the coal bearing measures. Coal seam thickness [illegible]

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